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HOUSE RESEARCH ORGANIZATION

daily floor report

Tuesday, April 23, 2019
86th Legislature, Number 50
The House convenes at 10 a.m.
Part Two

One bill is on the Emergency Calendar, one bill is on the Major State Calendar, three joint resolutions are on the Constitutional Amendments Calendar, and 67 bills are on the General State Calendar for second reading consideration today. The bills and joint resolutions analyzed or digested in Part Two of today's *Daily Floor Report* are listed on the following page.

Dwayne Bohac
Chairman
86(R) - 50

HOUSE RESEARCH ORGANIZATION

Daily Floor Report
Tuesday, April 23, 2019
86th Legislature, Number 50
Part 2

SUBJECT: Prohibiting probation for certain trafficking and prostitution offenses

COMMITTEE: Corrections — committee substitute recommended

VOTE: 9 ayes — White, Allen, Bailes, Bowers, Dean, Morales, Neave, Sherman, Stephenson

0 nays

WITNESSES: For — (*Registered, but did not testify*: Traci Berry, Goodwill Central Texas; Kathleen Mitchell, Just Liberty; Lori Henning, Texas Association of Goodwills; Kathryn Freeman, Texas Baptist Christian Life Commission; Michael Barba, Texas Catholic Conference of Bishops; Charlie Malouff, Texas Inmate Families Association)

Against — None

On — Robert Kepple, Texas District and County Attorneys Association (*Registered, but did not testify*: Joseph Schmider, Department of State Health Services)

BACKGROUND: Under Code of Criminal Procedure art. 42A.054(a), defendants who plead guilty or no contest to certain offenses are not eligible for judge-ordered community supervision (probation). Art. 42A.056 makes certain defendants ineligible for probation recommended by juries.

Art. 42A.102(b)(2)(B) prohibits judges from granting deferred adjudication to defendants charged with certain second offenses and who were previously placed on probation for specified offenses.

Some suggest that not including certain offenses involving human trafficking and prostitution with similar offenses that are ineligible for probation could allow individuals involved with these crimes to return to the community and continue trafficking.

DIGEST: CSHB 2758 would prohibit probation for defendants convicted of continuous human trafficking, promotion of prostitution, and aggravated

promotion of prostitution. It also would prohibit judges from granting deferred adjudication to defendants charged with second offenses for human trafficking, continuous human trafficking, promotion of prostitution, aggravated promotion of prostitution, and compelling prostitution, as well as to those who previously had been on placed on probation for these or certain other offenses.

The bill would take effect September 1, 2019, and would apply only to offenses committed on or after that date.

SUBJECT: Permitting certain defendants to petition for an order of nondisclosure

COMMITTEE: Criminal Jurisprudence — favorable, without amendment

VOTE: 8 ayes — Collier, K. Bell, J. González, Hunter, P. King, Moody, Murr, Pacheco

0 nays

1 absent — Zedler

WITNESSES: For — Haley Holik, Texas Public Policy Foundation; (*Registered, but did not testify*: Terra Tucker, Alliance for Safety and Justice; Nicholas Hudson, American Civil Liberties Union of Texas; Christel Erickson Collins, Austin Justice Coalition; Justin Keener, Doug Deason; Traci Berry, Goodwill Central Texas; Kathleen Mitchell, Just Liberty; Lori Henning, Texas Association of Goodwills; Allison Franklin, Texas Criminal Justice Coalition; Alexis Tatum, Travis County Commissioners Court; Kolby Monnig)

Against — None

On — (*Registered, but did not testify*: Michael Lesko, Texas Department of Public Safety)

BACKGROUND: Some have noted that the criminal record of individuals charged with multiple offenses during the same criminal episode can include charges that resulted in acquittal or were dismissed and that the inclusion of such charges in a person's criminal record can lead to the perception that the person has a more extensive criminal record than is accurate, which can negatively affect the person's rehabilitation.

DIGEST: HB 566 would allow individuals to petition a court for an order of nondisclosure of criminal history record information for charges that were dismissed or resulted in acquittal and were part of a criminal episode in which other charges resulted in conviction or deferred adjudication.

The bill would require courts to issue orders prohibiting criminal justice agencies from publicly disclosing the dismissed charges after providing notice to the state, an opportunity for a hearing, and a determination that the person was entitled to file the petition and that the order was in the best interest of justice.

An individual could petition a court for an order of nondisclosure of the dismissed charges two years after being fully discharged or after successfully completing deferred adjudication for the other offenses arising from the criminal episode. Petitions for nondisclosure could not be filed if an individual was convicted of or placed on deferred adjudication for any offense other than a fine-only traffic offense during the two-year waiting period.

Additionally, individuals could not be granted or petition for an order of nondisclosure if, at any time before the petition was filed, the individual was convicted of or placed on deferred adjudication for offenses requiring registration as a sex offender or involving aggravated kidnapping, murder, trafficking, or certain other crimes.

The bill would take effect September 1, 2019, and would apply to petitions for orders of nondisclosure of criminal history record information filed on or after that date.

SUBJECT: Adjusting child care provider evaluation criteria and funding formulas

COMMITTEE: International Relations and Economic Development — committee substitute recommended

VOTE: 6 ayes — Anchia, Frullo, Blanco, Larson, Raney, Romero

1 nay — Cain

2 absent — Metcalf, Perez

WITNESSES: For — Shay Everitt, Children at Risk; (*Registered, but did not testify*: Jeff Coyle, City of San Antonio; Veronica Garcia, Good Reason Houston; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Linda Phan, Texas Council on Family Violence; Julie Linn, The Commit Partnership; Jennifer Allmon, The Texas Catholic Conference of Bishops; Ashley Harris, United Way of Metropolitan Dallas, United Ways of Texas)

Against — None

On — Courtney Arbour, Texas Workforce Commission

BACKGROUND: Labor Code sec. 302.0042 requires the Texas Workforce Commission (TWC) to annually evaluate the formulas used to distribute federal child care development funds to local workforce development boards and establishes evaluation criteria, including the use of current federal child care funds by each local board, the average cost of child care in each area, and the number of children on waiting lists for child care in each area.

Government Code sec. 2308.3155 establishes the Texas Rising Star Program, a voluntary rating system of child care providers participating in TWC's subsidized child care program. Although the program is voluntary, participating providers are entitled under sec. 2308.315 to reimbursement rates 5 to 9 percent higher than those of non-certified providers.

DIGEST: CSHB 680 would adjust the criteria used by the Texas Workforce

Commission (TWC) to evaluate child care providers and distribute federal funding. The bill also would authorize local workforce boards to contract directly with Texas Rising Star child care providers in high-demand areas.

Adjustments to allocation formulas. The bill would expand the criteria TWC would have to use in its annual evaluation of child care funding formulas to include:

- the average price charged for child care in each local workforce development area as stated in a federal market rate survey;
- the total number of child care providers by area that participated in the Texas Rising Star Program, as well as the number of 2-star, 3-star, and 4-star rated child care providers;
- the percentage of subsidized child care providers in each area that participated in the Texas Rising Star Program, as well as the percentage of 2-star, 3-star, and 4-star rated providers in each area;
- the total number of children enrolled in subsidized child care providers participating in the Texas Rising Star Program and in 2-star, 3-star, and 4-star rated providers in each area; and
- the percentage of subsidized children in each area that were enrolled in child care providers participating in the Texas Rising Star Program as well as the percentage enrolled in 2-star, 3-star, and 4-star providers.

The evaluation also would no longer consider the overall number of vacant slots for child care placement in an area but instead would consider the proportion of slots reserved for subsidized children with a provider that was a certified 2-star, 3-star, or 4-star provider in the Texas Rising Star Program or that did not participate in the program.

Direct contracting authorization. CSHB 680 would authorize a local workforce development board to contract with providers for subsidized child care services.

To be eligible for a contract, a child care provider would have to be a Texas Rising Star Program provider with a three-star rating or higher and:

- be located in an area underserved by child care providers;
- have a partnership with a school district to provide a prekindergarten program;
- have a partnership with the Early Head Start or Head Start Program;
- increase the number of places reserved for infants and toddlers by high-quality child care providers; or
- satisfy a requirement in the local workforce development board's strategic plan.

Within six months of entering into such a contract and every six months thereafter, a local workforce development board would have to submit a report to TWC evaluating the contract to determine its effect on:

- the financial stability of the child care provider participating in the contract;
- the availability of high-quality child care options for participants in the subsidized child care program in the area;
- the number of high-quality child care providers in any part of the workforce development area with high concentration of families with a need for child care; and
- the percentage of children participating in the subsidized child care program at each Texas Rising Star Program provider in the local workforce development area.

TWC reporting requirements. CSHB 680 would add several new reporting requirements to TWC's existing biennial report on the effectiveness of the subsidized child care program.

TWC would have to measure and evaluate the child care program's progress regarding:

- coordination between TWC and the Texas Education Agency (TEA) to assign a Public Education Information Management System number to each child younger than 6 enrolled in the program;
- coordination with TEA, school districts, and open-enrollment

charter schools on prekindergarten quality improvement efforts;

- efforts to increase coordination between providers participating in the child care program, school districts, and open-enrollment charters;
- facilitation of child care provider enrollment in the Texas Rising Star Program and the progression of providers to the program's highest rating level; and
- development and implementation of rates and payments, as determined by local workforce development boards, to allow participating providers to provide high-quality child care and ensure that TWC met performance measures established by the Legislature for the average number of children served by the child care program.

Information collected by TWC, along with the commission's findings, would be available to local workforce development boards, school districts, open-enrollment charter schools, and the public.

Restriction on use of professional development funds. CSHB 680 would require each local workforce development board to ensure, to the extent practicable, that any professional development funded by federal child care development funds could be used toward requirements for a credential, certification, or degree program, and met the professional development requirements of the Texas Rising Star Program.

Stakeholder input on transition to Pre-K. The bill would require TWC to obtain input from TEA, school districts, charter schools, subsidized child care providers, relevant businesses, and the public on improving coordination between the subsidized childcare program and prekindergarten programs and increasing the quality of and access to the program.

The bill would take effect September 1, 2019.

SUPPORTERS SAY:

CSHB 680 would increase the transparency of the child care subsidy program overseen by the Texas Workforce Commission (TWC) and improve access to the program. Child care subsidies make up a large

percentage of TWC's budget, and the improved data collection established by the bill would help the commission ensure those subsidies were used efficiently.

The data collection, reporting, and student ID requirements established by the bill would help both TWC and the Texas Education Agency (TEA) identify gaps in the child care system. The bill also would mandate interagency cooperation and data-sharing between the agencies and stakeholders, which would help both agencies assist low-income children transition from child care to public education. Because TWC and TEA already compile information required by the bill, it would not impose a burden on the agencies.

CSHB 680 would provide stability to child care businesses where those businesses were most needed by authorizing local workforce development boards to directly contract with quality providers in high-need areas. The impact of this program would be measured and evaluated by TWC, and the commission's evaluation would help policy makers decide whether this model was successful and could be scaled statewide.

The bill also would help address the problem of high staff turnover of child care teachers, which makes it difficult to maintain teacher quality. By requiring that federal funding used for professional development be spent toward obtaining a credential, certification, or degree, the bill would help teachers pursue higher education and invest in their career.

OPPONENTS SAY:

CSHB 690 would impose a new reporting burden on TWC. This would require the commission to dedicate significant resources to a task outside the agency's core mission of serving the workforce.

SUBJECT: Creating a tax credit for certain low-income housing developments

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 8 ayes — Burrows, Guillen, Cole, Martinez Fischer, Murphy, Noble, Sanford, Wray

1 nay — Bohac

2 absent — E. Rodriguez, Shaheen

WITNESSES: For — Alex Johnson, InState Partners; (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Todd Kercheval, Texas Affiliation of Affordable Housing Providers; Scott Norman, Texas Association of Builders; Lee Johnson, Texas Council of Community Centers; Nate Walker, Texas Housers; Daniel Gonzalez and Julia Parenteau, Texas Realtors; Glenn Deshields, Texas State Association of Fire Fighters; Noel Johnson, TMPA)

Against — None

DIGEST: HB 1937 would entitle entities owning an interest in certain developments qualifying for a federal low-income housing credit to claim a nonrefundable credit against franchise tax and state insurance premium and retaliatory taxes. The credit would be available for any tax year within the 10-year period following the date on which the entirety of a qualified development was placed in service.

Credit. In any year for which a credit was available, a taxable entity or an entity subject to the above state insurance taxes that owned an interest in a qualified development would be entitled to apply for and receive an allocation certificate from the Texas Department of Housing and Community Affairs (TDHCA). A qualified development would be any development that was determined by TDHCA to be eligible for the federal low income housing credit and was:

- financed with tax-exempt bonds;

- subject to a recorded restrictive covenant requiring the development to be maintained as a qualified development; and
- in compliance with all accessibility and adaptability requirements for a federal tax credit and all requirements of the federal Civil Rights Act of 1968 for the lesser of 15 years after being placed in service or the period required by TDHCA.

The allocation certificate would specify the total amount of the credits awarded in connection with the qualified development. In determining the total amount of credits to be awarded, TDHCA would have to provide only the minimum amount necessary for the financial feasibility of the qualified development after considering any federal tax credit. This amount could not exceed the total federal tax credit awarded to the qualified development's owner or owners over the 10-year period in which the credit could be awarded.

The total amount of credits awarded in connection with all qualified developments in any year would be limited to the sum of $35 million, any unallocated credits for the preceding year, and any credit recaptured or returned to TDHCA in the year.

Allocation. The owners of a qualified development who intended to claim a credit could agree to the portion of the total amount of credits that each owner would be allowed to claim. Absent such an agreement, TDHCA would be required to determine the portion that each owner was entitled to claim based on the owner's interest in the qualified development.

Assignment. If an entity receiving a credit was a pass-through entity, the entity could assign the credit to its owners in any manner agreed to by its owners. The entity would be required to certify to the comptroller the amount of the credit assigned to each owner or notify the comptroller that it had delegated this requirement to an owner.

An entity that had assigned a portion of the credit would have to file a copy of the entity's allocation certificate with that year's tax report.

Each owner entity assigned a credit would be entitled to claim the credit subject to the restrictions in this bill. Such an assignment would not

constitute a transfer under state law.

Limitations, carrybacks, and carryforwards. An entity would be required to claim the credit in equal installments during each year for which the credit was available, and the total credit claimed in any year could not exceed the amount of the applicable tax due for the year. An entity could carry any excess credit in a year back for up to three years or forward for up to 10 years.

Recapture. The comptroller would be required to recapture the amount of credit claimed by an entity if the amount of the qualified basis of the qualified development on the last day of a tax year, as calculated under the Internal Revenue Code, was less than the amount of the qualified basis on the last day of the prior year. The entity would have to report the portion of credit required to be recaptured, the identity of any entity subject to recapture, and the amount of any credit previously allocated to the entity.

Report. TDHCA would be required to submit a written report to the Legislature by December 31 of each year that:

- specified the number of qualified developments for which allocation certificates were issued during the year and the total number of units supported by those developments;
- described each such development's location and household type, the residents and income levels intended to be served by the development, and rents or set-asides authorized for the development;
- included housing market and demographic information demonstrating how these developments were addressing the needs for affordable housing in their communities; and
- analyzed any remaining disparities in the affordability of housing within those communities.

This report would be made available to the public.

Compliance monitoring. TDHCA would be required to consult with the comptroller in monitoring compliance with the provisions of this bill in the same manner as TDHCA monitored compliance with the federal tax

credit program.

The bill would take effect January 1, 2020, and TDHCA could begin issuing allocation certificates on this date. The bill would apply only to a tax report originally due on or after January 1, 2021.

NOTES:

According to the Legislative Budget Board, the bill would have no impact on general revenue related funds through fiscal 2020-21. However, the bill would have a direct impact of a revenue loss to the Property Tax Relief Fund of $10.5 million for the fiscal 2022-23 biennium, eventually growing to $70 million per biennium. Any loss to the Property Tax Relief Fund would have to be made up with an equal amount of general revenue to fund the Foundation School Program.

SUBJECT: Requiring a study on potential improvements to Interstate Highway 27

COMMITTEE: Transportation — favorable, without amendment

VOTE: 9 ayes — Canales, Landgraf, Bernal, Y. Davis, Hefner, Krause, Leman, Martinez, Ortega

0 nays

4 absent — Goldman, Raney, Thierry, E. Thompson

WITNESSES: For — Jared Miller, City of Amarillo; Milton Pax, The Ports to Plains Alliance; (*Registered, but did not testify*: Leticia Van de Putte, City of Del Rio; Joseph Streck, City of Lubbock; Cheri Huddleston, The Ports to Plains Alliance)

Against — None

On — (*Registered, but did not testify*: Brian Barth, Texas Department of Transportation)

BACKGROUND: Some have called for additional research into the improvement of existing interstate highways to facilitate the movement of goods and services from Mexico into Texas and beyond.

DIGEST: HB 1079 would require the Texas Department of Transportation (TxDOT) to conduct a study on the feasibility, costs, and logistical matters associated with improvements to extend Interstate Highway 27:

- from its northern terminus to Dumas;
- from Dumas to Stratford; and
- from Stratford to the Oklahoma border.

The study also would be required to consider improvements to extend Interstate Highway 27:

- from its northern terminus to Dumas;

- from Dumas to Dalhart; and
- from Dalhart to the New Mexico border.

TxDOT would have to submit a report on the results of the study to the governor, lieutenant governor, House speaker, and the chairs of each standing committee with jurisdiction over transportation issues by January 1, 2021.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Extending the deadline to request a hearing regarding a towed vehicle

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 9 ayes — Leach, Farrar, Y. Davis, Julie Johnson, Krause, Meyer, Neave, Smith, White

0 nays

WITNESSES: For — Sergio Gonzales; (*Registered, but did not testify*: Daniel Armendariz, Austin Tenants Council; Lynn Holt, Justices of the Peace and Constables Association; Nate Walker, Texas Housers)

Against — Tasha Mora, Southwest Tow Operators; Jeanette Rash, Texas Towing and Storage Association; (*Registered, but did not testify*: Amy Edwards)

BACKGROUND: Transportation Code secs. 2308.454 to 2308.456 require towing companies and vehicle storage facilities to provide notice to the owner of a towed or booted vehicle of the owner's right to request a court hearing to determine whether probable cause existed to tow or boot the vehicle. A vehicle owner would have 14 days from the date the vehicle was towed or booted to request a court hearing.

Some have suggested that requiring vehicle owners to request a hearing to contest the towing or booting of a vehicle within 14 days does not allow them enough time to understand their rights and prepare for the hearing.

DIGEST: CSHB 625 would allow a person to submit a written request for a hearing concerning a towed car within 60 days of the date the vehicle was towed, excluding weekends and legal holidays, provided that the vehicle had been released from the vehicle storage facility to which it was towed within 20 days.

Notice provided to individuals whose vehicles were towed would have to include information about the deadline for submitting a request for a hearing.

The bill would take effect September 1, 2019, and would apply only to a notice or request for a hearing related to a car that was towed or booted on or after that date.

SUBJECT: Including certain postsecondary readiness exams for school accountability

COMMITTEE: Public Education — committee substitute recommended

VOTE: 11 ayes — Huberty, Allison, Ashby, K. Bell, Dutton, M. González, K. King, Meyer, Sanford, Talarico, VanDeaver

0 nays

1 absent — Allen

1 present not voting — Bernal

WITNESSES: For — (*Registered, but did not testify*: Priscilla Camacho, Dallas Regional Chamber; Jodi Duron, Elgin ISD; Drew Scheberle, The Greater Austin Chamber of Commerce)

Against — Jennifer Stratton; (*Registered, but did not testify*: Jane McFarland, League of Women Voters of Texas; Kristi Hassett, Theresa Trevino, and Sheri Hicks, Texans Advocating For Meaningful Student Assessments; Dee Carney, Texas School Alliance; and seven individuals)

On — (*Registered, but did not testify*: Jamie Crowe and Monica Martinez, Texas Education Agency; Claudia Pannell)

BACKGROUND: Education Code sec. 39.0238 requires the Texas Education Agency to adopt or develop postsecondary readiness exams for Algebra II and English III that a school district may administer at the district's option. Sec. 39.0238(f) prohibits results of those exams from being used for the public school accountability system.

DIGEST: CSHB 843 would eliminate a statutory provision that prevents the Texas Education Agency from using results from end-of-course exams in Algebra II and English III for the purposes of school district or campus accountability. In evaluating the performance of high school campuses and districts with high schools, the bill would require a performance indicator for students who satisfied the relevant performance standards on

those exams or who successfully completed an Algebra II or English III course with a grade of at least the equivalent of 70 on a scale of 100.

The bill would revise an indicator for students who successfully completed a practicum or internship approved by the State Board of Education to account for the students, rather than the percentage of students, who completed the practicum or internship.

The bill would apply beginning with the 2019-2020 school year.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUPPORTERS SAY:

CSHB 843 would give school districts and high school campuses credit in the public school accountability system for students who take courses such as Algebra II and English III that demonstrate college and career readiness. The bill could boost the A-F ratings for smaller districts and campuses by giving them credit for producing college-ready students. At a time when many Texas high school graduates are not ready for college studies, the state should encourage and reward schools where students are taking and passing these challenging courses.

OPPONENTS SAY:

CSHB 843 could place certain districts and high school campuses at a disadvantage in the school accountability system. In some schools, access to higher-level courses could be limited because the schools' main focus is on getting educationally disadvantaged students and English learners to pass required courses such as Algebra I and English I and II.

SUBJECT: Creating a pilot program in Atascosa County for appealing ARB orders

COMMITTEE: Ways and Means — committee substitute recommended

VOTE: 8 ayes — Burrows, Guillen, Martinez Fischer, Murphy, Noble, Sanford, Shaheen, Wray

0 nays

3 absent — Bohac, Cole, E. Rodriguez

WITNESSES: For — (*Registered, but did not testify*: Ray Head, Texas Association of Property Tax Professionals; Eric Opiela)

Against — Michelle Cardenas, Atascosa Central Appraisal District, Texas Rural Chief Appraisers

DIGEST: CSHB 994 would establish a pilot program allowing property owners in a certain county to bring certain appeals of an appraisal review board (ARB) order to a justice court rather than to district court or to binding arbitration. To qualify for the pilot program, the county would have to:

- have a population of less than 45,000;
- share a border with a county with a population of at least 1.5 million and is within 200 miles of an international border; and
- have the Atascosa River flow through it (Atascosa County).

The bill also would change current statewide requirements by requiring the ARB and chief appraiser to review any evidence or argument provided by a property owner before a protest hearing.

An appeal of an ARB order in Atascosa County could be brought to a justice court if it related to a claim of excessive appraisal of property qualifying as a residence homestead that the ARB had determined had an appraised value of $500,000 or less. The venue would be in any justice precinct in which the property was located. An appraisal district could be represented by legal counsel in such an appeal.

If the justice court determined that it did not have jurisdiction of the appeal, the appeal would have to be dismissed. The property owner then could file a petition for review in district court appealing the justice court's decision within 30 days of dismissal.

Provisions relating to petition for review, scope of review, action by the court, and remedy for excessive appraisal would apply to an appeal in a justice court in the same manner as they currently apply to an appeal in a district court.

Provisions in the bill allowing property owners in Atascosa County to appeal certain ARB orders in a justice court would expire September 1, 2025. At that point, the Office of Court Administration (OCA) would conduct a study on the provisions' effectiveness in increasing court efficiency and improving property owners' ability to exercise their rights to appeal an ARB order. OCA would issue a report to the Legislature's appropriate standing committees by December 1, 2026, with recommendations on whether legislation similar to these provisions should be enacted.

The bill would take effect September 1, 2019, and would apply to an appeal filed on or after that date.

SUPPORTERS SAY:

CSHB 994 could provide greater access to justice for property owners across the state by allowing Atascosa County to test a method for appealing appraisal review board (ARB) orders.

Appealing ARB orders to district court or through binding arbitration is often expensive and time consuming for both property owners and ARBs. Such costs may prevent property owners from pursuing these appeals. The bill could provide a cheaper and more efficient alternative than the current appeals process by allowing property owners in Atascosa County to appeal ARB orders to justice courts. If the Office of Court Administration determined that appeals to justice courts were more efficient and provided greater access to justice in Atascosa County, these provisions could be expanded statewide.

CSHB 994 also would increase the effectiveness of ARB hearings by requiring that the ARB and chief appraiser review the property owner's evidence and arguments before the hearing.

OPPONENTS SAY:

CSHB 994 could conflict with other statutory provisions and increase costs to rural ARBs. It would be unfair to property owners outside of Atascosa County, as well as unnecessary because few property owners in Atascosa County have appealed ARB orders in the past few years. Justice courts could see an influx and be overwhelmed.

The bill's requirement that the ARB and chief appraiser review evidence and argument before a protest hearing could conflict with provisions prohibiting *ex parte* communications. It also could extend the scheduling time for each hearing, leading rural counties to expand their ARBs and increasing costs for appraisal districts and taxpayers alike.

SUBJECT: Permitting TDLR to use contractors to review and investigate complaints

COMMITTEE: Licensing and Administrative Procedures — committee substitute recommended

VOTE: 9 ayes — T. King, Goldman, Geren, Guillen, Harless, Hernandez, K. King, Paddie, S. Thompson

0 nays

2 absent — Herrero, Kuempel

WITNESSES: For — (*Registered, but did not testify*: Shannon Noble, Texas Air Conditioning Contractors Association)

Against — None

On — (*Registered, but did not testify*: Christina Kaiser, Texas Department of Licensing and Regulation)

BACKGROUND: Occupations Code sec. 51.252(b) requires the Texas Department of Licensing and Regulation (TDLR) to maintain a file on each written complaint received.

Interested parties note that specific and technical knowledge related to a program may be required to understand and resolve issues arising from complaints and that the process could benefit from assistance from qualified experts.

DIGEST: CSHB 2452 would allow the Texas Department of Licensing and Regulation (TDLR) to contract with a qualified individual to assist with reviewing and investigating complaints.

Except for an act involving fraud, conspiracy, or malice, the contractor would be immune from liability and could not be subject to a suit for damages for:

- participating in an informal conference to determine the facts of a complaint;
- evaluating evidence in a complaint and offering an expert opinion or technical guidance on an alleged violation of a law or rule administered by TDLR or the Texas Commission on Licensing and Regulation;
- testifying at a hearing regarding a complaint; or
- making an evaluation, report, or recommendation regarding a complaint.

TDLR could accept, but would not be required to investigate, a complaint that lacked sufficient information to identify the source or the name of the person who filed the complaint.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Modifying the San Antonio police and firefighter retirement system

COMMITTEE: Pensions, Investments and Financial Services — committee substitute recommended

VOTE: 11 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Lambert, Leach, Longoria, Stephenson, Wu

0 nays

WITNESSES: For — Warren Schott and James Smith, San Antonio Fire and Police Pension Fund; (*Registered, but did not testify*: Rita Ostrander, Combined Law Enforcement Associations of Texas; Patrick Haggerty, El Paso Firemen and Policemen Pension Fund; Michael Trainer, San Antonio Fire and Police Pensioners Association; Frank Burney and Gail Jensen, San Antonio Fire and Police Pension Fund; Jimmy Rodriguez, San Antonio Police Officers Association)

Against — Christopher Steele, San Antonio Professional Firefighters Association (*Registered, but did not testify*: Joe Alderete III, Wayne Delanghe, Edward Guerra, and Javier Patlan, San Antonio Fire Department Local 624)

BACKGROUND: Vernon's Texas Civil Statutes art. 6243o governs the police and firefighter retirement systems for paid fire and police departments of certain municipalities with a population of between 1.3 million and 1.5 million (San Antonio).

The federal Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) establishes the rights and responsibilities of uniformed service members and their civilian employers. USERRA is intended to ensure that individuals who serve in the U.S. military are not disadvantaged or discriminated against in their employment.

The federal Heroes Earnings Assistance and Relief Tax Act, or HEART Act, includes provisions governing death, disability, and pension benefits. Under the HEART Act, workers who leave their jobs for active military

service are able to keep their employer-provided death and disability benefits.

DIGEST:

CSHB 3188 would revise several provisions related to the San Antonio Fire and Police Pension Fund, including provisions concerning service credit payments, retirees' death benefits, and the establishment of disability benefits.

Disbursements. The bill would establish that the fund's board of trustees had complete authority and power to disburse benefits or otherwise order payments from the fund. The disbursement of benefits could not be made without a record vote of the board.

Restoration of credit. Under CSHB 3188, a member of the retirement system who was exempted from making monthly payments into the fund during the time that the member was in any uniformed service of the United States could restore the credit for those contributions by paying into the fund an amount equal to what the member would have paid if the member had remained on active status in the fire or police department. This payment would have to be made in full within a period of time after the member's return to active status in the fire or police department that was equal to three times the amount of time the member was in active service with the uniformed service. The maximum period for payment could not exceed five years.

If the member did not make this payment within the specified time frame but would otherwise be eligible for credit under federal law, the member could receive the credit if the fund's board of trustees determined that the member had good cause for missing the payment deadline. The member would have to pay interest on the then current rate of the member's contribution from the date the payment was required to the date the payment was made, at an interest rate set by the board.

Suspension rights. The bill would state that an indefinite suspension or a suspension for a specific period of time would become final on the either the date an administrative appeal of the suspension was finally adjudicated or, if no administrative appeal of the suspension was made, after the last day of the period for initiating an appeal had elapsed.

If a member of the fund died while on suspension, the member's beneficiary would have the same rights as any other beneficiaries of the fund.

However, if a member died while on indefinite suspension that had not become final as of the date of the member's death, the member's beneficiary would have the same rights as other beneficiaries only if the beneficiary provided sufficient evidence to the board that:

- an administrative appeal of the indefinite suspension to the municipality was being actively pursued at the member's time of death; and
- the member had a reasonable chance of having the indefinite suspension reversed or modified.

Disability retirement. CSHB 3188 would expand the authority of a retirement system's board of trustees to determine whether an active member of the fund was eligible to retire and receive either a regular or catastrophic disability retirement annuity. A member would be eligible for such benefits only if the member established to the satisfaction of the board that the member was permanently or catastrophically disabled, if the member was not disqualified from receiving a disability retirement annuity, and if the member met certain other statutory requirements. The board would be authorized to consider or require any other evidence it considered necessary or appropriate.

A member of the fund who was suspended for a specific period and who became disabled during that suspension would be eligible for a disability retirement annuity only if the member made up each contribution to the fund that was missed due to the suspension. These contributions would have to be made within 30 days after the later of the termination date of the suspension or the date the suspension became final.

A member who was placed on indefinite suspension that became final or who was terminated would not be entitled to a disability retirement annuity. This would not apply to a member placed on an indefinite suspension that was reversed or modified to be for a specific period.

If required by the board, a disability retiree who was awarded a catastrophic injury disability annuity would have to undergo a medical examination by any reputable physician or physician selected by the board.

The bill would allow the board of trustees to restore a retirement annuity that had been reduced due to a retiree's income from other employment. The restored annuity would have to be the same as the annuity before the reduction, plus any applicable cost-of-living increases that had occurred during the period the annuity was reduced.

Benefits upon death of officer or retiree. The bill would expand the definition of a dependent child to mean either a natural or adopted child who was an adult with a physical or mental disability. The bill would remove the requirement that, in order to be eligible for any applicable fund benefits, a dependent child must have been claimed by a deceased member as a dependent for tax purposes during the year preceding the member's death. A child who was adopted after the date of a member's retirement would not be entitled to a death benefit annuity.

The bill would remove the requirement that the pension fund board consider the municipality's finding as to whether a deceased member was killed in the line of duty.

For the purpose of calculating the death benefit annuity due to the family of a member killed in the line of duty, the bill would establish a method for calculating the member's total salary. The annuity would be equal to:

- the total salary the member received during the 12-month period before the date of the member's death, if the member served 12 months or more before the date of the member's death;
- the average monthly total salary the member received before the date of the member's death multiplied by 12, if the member served at least two months but less than 12; or
- the average daily total salary the member received before the date of the member's death multiplied by 360, if the member served less than two months before the date of the member's death.

The bill would specify that the right of a member's surviving spouse or dependent child to annuity payments would not be affected by either the surviving spouse or dependent child's marriage if the marriage took place on or after October 1, 1995.

A surviving spouse or dependent child who was married before October 1, 1995, and whose marriage resulted in the termination of annuity benefits would be entitled to 100 percent of the annuity in effect on the date of termination, plus any applicable cost-of-living increases, if:

- the surviving spouse or dependent child was unmarried on October 1, 1995; or
- the marriage of the surviving spouse or dependent child was terminated after October 1, 1995.

"Slayer" provision. The bill would deny death benefits to a person who was the principal or an accomplice in willfully bringing about the death of a member or beneficiary whose death would otherwise benefit the person.

The board would have to make a determination during a board meeting that a person willfully brought about the death, and the determination would have to be based on a preponderance of the evidence presented. The board's determination would not be controlled by any other finding in any other forum, regardless of whether the other forum considered the same or another standard of proof.

HEART Act. The bill would make the survivors of a member of the fund who died while performing qualified military service entitled to certain additional benefits that would have been provided if the member had died after returning to active status in the fire or police department.

Other provisions. The bill would make technical changes to current statute and revisions designed to effect compliance with other federal laws, as well as to maintain the fund's tax-exempt status.

The bill would state that the mayor of a municipality to which the bill applied would serve on the board of trustees, or could appoint a designee

to serve on the board, only for the duration of the mayor's term in office. A member of the governing body of the municipality who served on the board could serve only for the duration of their term serving the governing body, whether the member was elected or appointed.

The bill also would prescribe the manner in which the mayor or governing body, respectively, fills an applicable vacancy on the board.

The bill would take effect October 1, 2019.

SUPPORTERS SAY:

CSHB 3188 would make overdue updates to the statute governing the San Antonio Fire and Police Pension Fund in order to conform statutory language to certain federal regulations. The bill also would clarify language to address situations that have arisen since the statute was last updated and give the fund's board of trustees greater flexibility to make decisions on a case-by-case basis as appropriate.

The bill would go beyond the baseline of benefits and protections established under federal law to provide the fund's board of trustees greater flexibility to allow members who served in the U.S. military to purchase service credit. The board also would be given the ability to waive the requirement that a retiree receiving a catastrophic disability pension undergo a medical examination. Such a waiver would be appropriate in situations when a retiree has an obvious catastrophic disability and further examination would be unnecessary or burdensome.

The bill also would remove the requirement that a dependent child must have been claimed as a dependent by a deceased member for federal income tax purposes. This would allow the board greater flexibility to address situations that may have arisen in members' lives since their retirement.

A "slayer" provision, denying a death benefits to a person who benefited from a member or beneficiary's death and who the board determined was responsible for or an accomplice to the death, would prevent criminals from benefiting financially from their crime.

The question of benefits to spouses of firefighters goes beyond the

purpose of this legislation, though it may be appropriate to address in the future.

OPPONENTS SAY:

CSHB 3188 improperly would grant more authority to the pension fund's board of trustees, which could lead to long-term fund instability.

The bill should expand the fund's benefits to members' surviving spouses and dependent children to include special benefits for the spouses of firefighters who die from certain kinds of cancers.

SUBJECT: Suspending annexation after notice of election on change in county tier

COMMITTEE: Land and Resource Management — favorable, without amendment

VOTE: 7 ayes — Craddick, Muñoz, C. Bell, Biedermann, Leman, Minjarez, Thierry

2 absent — Canales, Stickland

WITNESSES: For — Shelby Sterling, Texas Public Policy Foundation; (*Registered, but did not testify*: Jeremy Fuchs, Texas and Southwestern Cattle Raisers Association; Daniel Gonzalez and Julia Parenteau, Texas Realtors)

Against — None

BACKGROUND: Local Government Code ch. 43 divides counties and municipalities into two categories for the purpose of annexation authority. A "Tier 1 county" is a county with a population under 500,000. A "Tier 2 county" is a larger county or one in which a majority of the voters approved being a Tier 2 county by an election ordered by the commissioners court on the request of a petition signed by at least 10 percent of the registered voters of the county.

Some have suggested that the process by which the residents of a Tier 1 county may petition for an election to become a Tier 2 county for the purposes of municipal annexation should be clarified and revised.

DIGEST: HB 1038 would require the commissioners court of a Tier 1 county to verify the signatures on a petition for an election to determine whether the county should become a Tier 2 county.

If the petition contained the signatures of at least 10 percent of the registered voters in the county, the commissioners court would have to provide notice of the verified petition as soon as practicable to the governing body of each municipality located wholly or partly in the county or with extraterritorial jurisdiction in the county.

On notice of the verified petition, the governing body of a municipality would have to suspend any pending annexation that would be affected by the outcome of the election until after the election was held.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Requiring confinement for those who left the scene of a fatal car accident

COMMITTEE: Corrections — favorable, without amendment

VOTE: 9 ayes — White, Allen, Bailes, Bowers, Dean, Morales, Neave, Sherman, Stephenson

0 nays

WITNESSES: For — Jack Roady, Galveston County District Attorney; David Wood; (*Registered, but did not testify*: Amy Meredith, Travis County District Attorney)

Against — None

On — (*Registered, but did not testify*: Laurie Pherigo)

BACKGROUND: Transportation Code sec. 550.021 requires that operators of vehicles involved in accidents that result or are reasonably likely to result in the injury to or death of a person:

- immediately stop the vehicle at the scene of the accident or as close to the scene as possible;
- immediately return to the scene of the accident if the vehicle is not stopped at the scene of the accident;
- immediately determine whether a person is involved in the accident and whether aid is required; and
- remain at the scene of the accident to provide certain information and aid as needed.

Failure to stop or comply with these requirements for such accidents involving the death of a person is a second-degree felony (two to 20 years in prison and an optional fine of up to $10,000).

Some note differences in how courts punish defendants who are granted community supervision for different offenses involving the operation of a vehicle resulting in a person's death. For example, defendants granted

community supervision for the offense of intoxication manslaughter must submit to confinement as a condition of community supervision, but defendants granted community supervision for leaving the scene of an accident that results in a death are not required to submit to a similar period of confinement.

DIGEST:

HB 2502 would require judges who granted community supervision to an individual convicted of leaving the scene of a vehicle accident that resulted in a person's death to submit that individual to a term of confinement of at least 120 days as a condition of community supervision.

The bill would specify that if a defendant's community supervision was revoked and a sentence of confinement was imposed, the term of confinement served as a condition of community supervision could not be credited toward the completion of the sentence imposed.

The bill would take effect September 1, 2019, and would apply to offenses committed on or after that date.

SUBJECT: Classifying uniform rental as retail trade for franchise tax purposes

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 8 ayes — Burrows, Guillen, Bohac, Murphy, Noble, E. Rodriguez, Shaheen, Wray

0 nays

3 absent — Cole, Martinez Fischer, Sanford

WITNESSES: None

BACKGROUND: Tax Code sec. 171.0001(12) defines retail trade for the purposes of the franchise tax to include several activities oriented around the rental of goods, including apparel rental, tool rental, furniture rental, heavy construction rental, and party and event supplying.

Tax Code sec. 171.0002 establishes the franchise tax at 0.375 percent of taxable margin for those taxable entities primarily engaged in retail or wholesale trade and 0.75 percent of taxable margin otherwise.

DIGEST: HB 1089 would expand the definition of retail trade for the purposes of the franchise tax to include activities involving the rental of industrial uniforms, industrial garments, and industrial linen supplies.

The bill would take effect on January 1, 2021, and would apply only to a report originally due on or after the effective date.

SUBJECT: Making it a crime to possess a weapon on backside of airport terminal

COMMITTEE: Homeland Security and Public Safety — committee substitute recommended

VOTE: 9 ayes — Nevárez, Paul, Burns, Calanni, Clardy, Goodwin, Israel, Lang, Tinderholt

0 nays

WITNESSES: For — John Taylor, Dallas-Fort Worth Airport Police; Jerry Patterson; (*Registered, but did not testify*: Randy Cain, City of Dallas; Chris Jones, Combined Law Enforcement Associations of Texas; Kristian Havard, Dallas-Fort Worth Airport; Jessica Anderson, Houston Police Department; Jennifer Price, Moms Demand Action for Gun Sense in America; Ron Hinkle, Texas Commercial Airports Association; Ed Scruggs and Emma Thomson, Texas Gun Sense; Idona Griffith; Maria Person; Leesa Ross)

Against — Rachel Malone, Gun Owners of America; Rick Briscoe and CJ Grisham, Open Carry Texas; (*Registered, but did not testify*: Read King)

BACKGROUND: Under Penal Code sec. 46.03(a)(5), it is a third-degree felony (two to 10 years in prison and an optional fine of up to $10,000) to intentionally, knowingly, or recklessly possess or carry a firearm or other restricted or prohibited weapon in or into a secured area of an airport, which includes an area of an airport terminal building to which access is controlled under federal law.

It is a defense to prosecution that the person who possessed or carried the prohibited weapon:

- checked all firearms as baggage in accordance with state or federal law before entering a secured area; or
- possessed a concealed handgun that the person was licensed to carry at the screening checkpoint and exited the checkpoint immediately upon completion of the screening process and notification that the person possessed the handgun.

DIGEST:

CSHB 1168 would expand the offense under Penal Code sec. 46.03(a)(5) by amending the definition of a secured area of an airport in which a person could not possess or carry a weapon to include an adjacent aircraft parking area used by common carriers in air transportation but not used by general aviation.

The bill would make it a defense to prosecution for the offense that the person was authorized by a federal agency or the airport operator to possess a firearm in a secured area.

The bill would take effect September 1, 2019, and would apply to an offense committed on or after that date.

SUPPORTERS SAY:

CSHB 1168 would address concerns that state law currently does not protect against potential insider threats to all sensitive areas of airports, particularly the airport operations area, also known as the airside, ramp, tarmac, or backside of the terminal.

Federal law prohibits individuals from carrying a weapon into an airport, employees from possessing a weapon in the airport operations area, and baggage handlers from transferring or handing off a firearm onto an airplane.

However, state law does not prevent an airline employee from possessing a weapon in the airport operations area. This gap creates jurisdictional challenges for state airport law enforcement responding to threats. The bill would close this gap in law by expanding the definition of a secured area of an airport to include the airport operations area. The bill would ensure that state and federal officials could work together to prevent insider threats and that airport security had jurisdiction to investigate incidents and make arrests.

The current defense to prosecution for a licensed person possessing a concealed handgun at a screening checkpoint would extend to the airport operations area, providing a licensed firearm owner the opportunity to exit and store a firearm in a vehicle before entering the area. The bill would provide additional protection by creating a new defense to prosecution for

individuals who were authorized to possess a firearm in a secured area of an airport and by not applying the offense under Penal Code sec. 46.03(a)(5) to general aviation areas.

OPPONENTS SAY:

CSHB 1168 should provide the same defense to prosecution currently afforded to licensed firearm owners who mistakenly carry a concealed handgun to a screening checkpoint in an airport terminal. This would allow airport employees who were law-abiding handgun owners an opportunity to exit a screening area to properly store their handgun without a penalty, ensuring that people acting without ill intent were not criminalized.

SUBJECT: Revising rules for the diesel emissions reduction incentive program

COMMITTEE: Environmental Regulation — favorable, without amendment

VOTE: 8 ayes — Lozano, E. Thompson, Blanco, Kacal, Kuempel, Morrison, J. Turner, Zwiener

0 nays

1 absent — Reynolds

WITNESSES: For — Jerry Young, Mustang CAT; (*Registered, but did not testify*: Carolyn Brittin, Associated General Contractors of Texas, Highway Heavy; Mark Vane, HB Strategies; Kathi Harris)

Against — (*Registered, but did not testify*: Bill Kelberlau)

On — Sam Gammage, Texas Chemical Council; (*Registered, but did not testify*: Joe Walton, Texas Commission on Environmental Quality)

BACKGROUND: Health and Safety Code sec. 386.104 establishes eligibility requirements for the diesel emissions reduction incentive program, which is administered by the Texas Commission on Environmental Quality (TCEQ) and provides grants to eligible projects that reduce emissions from diesel sources in areas of the state that do not attain federal air quality standards.

In order for most projects to be eligible for an incentive grant to replace, repower, or otherwise improve a diesel source, at least 75 percent of the diesel vehicle's miles traveled or hours of operation for five years after the grant award must be projected to take place in a nonattainment area or other county affected by low air quality.

Interested parties suggest that greater participation in the program could be achieved by allowing the TCEQ more flexibility in determining grant qualifications.

DIGEST:

HB 1346 would allow the Texas Commission on Environmental Quality to set a different minimum percentage of vehicle miles traveled or hours of operation required in a nonattainment area or affected county than is otherwise currently established in statute for a project to qualify for a diesel emissions reduction incentive program grant.

This bill would take effect September 1, 2019.

SUBJECT: Regulating hemp and hemp products, authorizing penalties and fees

COMMITTEE: Agriculture and Livestock — committee substitute recommended

VOTE: 8 ayes — Springer, Anderson, Beckley, Buckley, Burns, Fierro, Meza, Zwiener

0 nays

1 absent — Raymond

WITNESSES: For — Shawn Hauser, American Hemp Campaign, Vicente Sederberg LLC.; Charles Beall, Ana-Lab; Haden Shibley, Circle B Ranch; David Cree Crawford, Ionization labs; Rudolpho Montes, Phoenix Inc.; W T Skip Leake, PC; Bob Avant, Texas Farm Bureau; Coleman Hemphill, Texas Hemp Industries Association; Sheila Hemphill, Texas Right To Know; Jason Vaughn, Texas Young Republicans; Jeff Williams, Williams Farms and Ranches; Steven Thompson, Zilis; and seven individuals; (*Registered, but did not testify*: Dwight Clark, American Hemp Campaign, Vicente Sederberg LLC; Tobi Duckworth, Ana-Lab; Jonathan Green, Texas Hemp Industries Association; Michael Booth and Ilissa Nolan, Booth, Ahrens & Werkenthin; Karen Reeves, CenTex Community Outreach; Mandi Hughes, COCW; Judith McGeary, Farm and Ranch Freedom Alliance; Leslie Provence, Food Policy Council of San Antonio; Connor Oakley, Hemp Producers Association of Texas; Alexander Andrawes, Ionization Labs; Steve Spencer and Sydney Spencer, Margins PAC; Timmie Lane and Jerry Walters, Oppidan Wellness Inc.; Kristen Jardine, Prime My Body; James Dickey, Republican Party of Texas; Heather Fazio, Texans for Accountable Government; Marissa Patton, Texas Farm Bureau; Jaclyn Finkel, Texas NORML; Justin Williamson, Texas Retailers Association; Denise Gentsch, Texas Seed Trade Association; John Pitts, Jr, Texas Wellness; Drew Miller, U.S. Hemp Roundtable; Susan Hays, Village Farms, L.P.; and 19 individuals)

Against — None

On — Dan Hunter, Texas Department of Agriculture; Brady Mills, Texas

Department of Public Safety-Crime Lab; (*Registered, but did not testify*: Kirk Cole, Texas Department of State Health Services)

BACKGROUND: 7 U.S.C. ch. 38, subch. VII establishes the federal guidelines for production of hemp at the state level. It states that the federal government is the primary regulatory authority unless a state submits a hemp production plan and the U.S. secretary of agriculture approves it.

DIGEST: CSHB 1325 would establish the Hemp Farming Act to regulate the commercial production of hemp and would establish the intent of the Legislature that the state have primary regulatory authority over the production of hemp and hemp products in Texas.

Hemp would be defined as the plant Cannabis sativa L. and any part of that plant, including the seeds of the plant and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 tetrahydrocannabinol concentration of not more than 0.3 percent on a dry weight basis.

The bill would specify that hemp, as defined by the bill, was not a controlled substance or included in the definition of marihuana under state law.

State hemp production plan. The Texas Department of Agriculture (TDA) in consultation with the governor, attorney general, and the Department of State Health Services (DSHS), would have to submit to the U.S. secretary of agriculture a state hemp production plan as provided by 7 U.S.C. ch. 38 sec. 1639p.

TDA would have to adopt rules that provided for:

- the maintenance of relevant information regarding land on which hemp was produced, including a legal description of the land for a period of at least three years;
- procedures to test the THC concentration of hemp;
- the effective disposal of hemp and hemp-derived products in violation of federal law;
- procedures to comply with federal law on corrective action and

penalties;

- procedures to conduct annual inspections of a random sample of hemp producers to verify that hemp was not produced in violation of federal law;
- procedures to submit to the U.S. secretary of agriculture the contact information, permit information, and changes to permit status of every state-permitted hemp producer as well as legal description of the lands used to cultivate hemp within 30 days of its receipt; and
- procedures to certify that the state had the resources and personnel to carry out the above rules.

The bill would require TDA enter into a memorandum of understanding with DSHS that recognized DSHS had primary jurisdiction over consumable hemp products and that established cooperation between the agencies in developing the state hemp production plan.

CSHB 1325 would require TDA to adopt rules for the production of hemp and hemp products and develop the state plan and submit it to the U.S. secretary of agriculture within 90 days of the effective date of this bill. If the plan were disapproved, it would be amended until approved. TDA could seek necessary technical help from the U.S. secretary of agriculture to develop the state plan.

State hemp program. TDA would be required to adopt rules, in consultation with relevant public agencies and nonprofit associations in the hemp industry, to promote and regulate commercial hemp production and sale. These rules would be required to authorize an individual, business, or institution of higher education to cultivate hemp in a manner that complied with federal law.

TDA would be required to set and collect fees sufficient to cover the costs of administering hemp regulations.

TDA authorization would be required for any person to cultivate, handle or process hemp. A person seeking authorization would be required to:

- provide a legal description and GPS coordinates of the perimeter of each location where the person intends to cultivate or process

hemp;

- provide written consent allowing TDA, the Department of Public Safety, and any other state or local law enforcement agency to enter onto the premises where hemp was cultivated, processed, handled, or stored to evaluate compliance with statute and rule;
- pay any fees required by TDA rule; and
- provide any other information required by TDA rule.

Persons who had been convicted of a felony relating to controlled substances would not be eligible for authorization within 10 years of conviction. Persons who had falsified their application for authorization could not be authorized.

State agencies could not authorize a person to process or manufacture a hemp product intended for smoking, defined in the bill as burning or igniting a substance and inhaling the smoke. State agencies could not prohibit a person from processing or manufacturing a product solely on the basis that the person intended to process or manufacture the product with hemp.

State hemp program account. CSHB 1325 would establish the state hemp program account in the general revenue fund that would consist of legislative appropriations; gifts, grants, or donations; fees received and penalties collected; and earned interest. The account could be appropriated only to administer and enforce state hemp laws.

Testing. CSHB 1325 would require TDA to establish a program for random testing of hemp plants to verify compliance with the federally defined THC limit for hemp. Hemp producers would be prohibited from harvesting hemp plants unless pre-harvest tests had been done on plants from the plot where the plant was grown. Testing procedures and rules are specified in the bill.

TDA would be required to permit post-harvest testing. If a producer had not requested a post-harvest test within 15 days of receiving the results of the pre-harvest test, the pre-harvest test results would be final.

TDA would be required to issue documentation authorizing the testing

entity to collect and transport samples.

Enforcement. The bill would require any hemp producer who negligently violated the bill to take corrective action as provided by federal law. A producer would not be subject to civil or criminal penalty in this case.

If a hemp plant sample exceeded the federally defined THC level for hemp but TDA determined the plants represented by the sample reached that concentration solely as a result of the negligence or acts beyond the control of the hemp producer, the producer would be permitted to:

- trim, extract, or separate the plants until the remaining plants or plant parts no longer exceed the federal THC limit and dispose of the noncompliant parts;
- transfer the plants to an appropriately licensed person to process into a product that did not exceed the federal THC limit and dispose of any remaining parts of the plants; or
- take any other corrective action consistent with federal regulations.

If TDA learned a hemp producer to any degree greater than negligence violated statute or rule, it would be required to immediately report the producer to the U.S. and Texas attorneys general. The Texas attorney general would be permitted to investigate or report the matter to law enforcement.

TDA would be required to create a penalty schedule did not conflict with federal law. The maximum penalty would be $5,000. Any penalties collected would have to be deposited in the hemp program account.

Possession, transport, and sale. The bill would permit a person to possess, transport, sell, and purchase legally produced hemp. TDA would be required to provide retailers with notice of potential violations and provide an opportunity to cure unintentional or negligent violations.

Hemp-derived cannabinoids would not be considered controlled substances, and such products intended for consumption would be considered foods.

Hemp products produced out of state could be sold in Texas provided that TDA had established the other jurisdiction had substantially similar requirements for cultivating and processing hemp. TDA would be required to maintain a list of such jurisdictions. Hemp products could be legally transported across state lines and exported to foreign jurisdictions in a manner consistent with federal law.

Consumables labeling. A consumable hemp product would not be permitted to be distributed and sold unless it was packaged and labeled with the following information:

- batch size, date, number, and identification number;
- product name;
- total quantity produced;
- an internet link to download a certificate of analysis;
- the name of the product's manufacturer; and
- certification that the product complied the with the federal THC limit.

The label could be in the form of a URL or bar code that could be scanned to lead to the above information.

Shipping document. TDA would be required to issue shipping documentation that would allow law enforcement to verify shipments consisted of hemp or hemp products in compliance with statute and rule.

Seed certification. The bill would require TDA to establish a program to certify hemp seeds that were compliant with the federal THC limit. TDA would be permitted to partner with a private entity or institution of higher education to test seeds. TDA would be required to make a list of certified hemp seeds and make that list available to hemp producers.

Rulemaking. TDA would be required to adopt rules by January 1, 2020, necessary to implement the state hemp production plan. TDA would also be required to begin issuing permits within 30 days of adopting such rules.

The bill would take immediate effect if finally passed by a two-thirds

record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUPPORTERS SAY:

CSHB 1325 would support a state-regulated commercial hemp industry in Texas, providing new economic opportunities. The bill would not legalize marijuana; rather, it would make Texas the primary regulatory authority over the cultivation of hemp and production of hemp products in the state.

The hemp industry has grown, and it should come to Texas where it could create jobs and generate revenue for the state. This opportunity was enabled by passage of the federal Agriculture Improvement Act of 2018, which included the federal Hemp Farming Act that permitted the cultivation, processing, and possession of hemp. If Texas does not submit a state plan to the U.S. Department of Agriculture (USDA), the state will cede primary regulatory authority to the USDA when its rules on hemp production are established. To date, at least 42 other states have legalized hemp in some capacity.

Hemp is a valuable commodity that is drought and heat resistant and not water intensive, making it well suited to Texas. Every part of the hemp plant has commercial use. It is also an excellent rotational crop that rejuvenates the soil and improves the yields of other crops.

The bill would establish a regulatory regime necessary and appropriate to verify that hemp and hemp products were below the THC limit. TDA testing would ensure the hemp crop was below the THC limit while U.S. Food and Drug Administration tests would ensure edible hemp products were below the THC limit. The shipping certificate and labeling provisions of the bill would allow legal hemp and hemp products to be easily identified. Those provisions would mean other Texas departments, including the Department of Public Safety Crime Lab, would not need to expend significant resources distinguishing between legal and illegal hemp and hemp products. The bill would provide that the full costs of the state hemp program would be paid for with fees and not tax dollars, ensuring that the burden of regulation did not fall on taxpayers.

The bill's prohibition against hemp products for smoking would include products intended to be burned and inhaled, such as cigarettes. Other

products that do not function in this manner would not be subject to the prohibition.

OPPONENTS SAY:

CSHB 1325 should provide greater clarity in defining hemp products intended to be smoked to allow for better determination between marijuana- and hemp-derived products. Recreational marijuana often comes from other states in the form of wax or oil that is later ingested by smoking. The bill would not provide enough to differentiate between these products and hemp-derived wax or oils designed for topical use.

Under the bill, edible items with a maximum THC concentration of 0.3 percent would be legal, which could increase the amount of testing the DPS crime lab would undertake incidental to investigating crimes. An increased caseload due to greater availability of hemp products and the need to distinguish between legal and illegal amounts of THC could require a significant number of new staff and expensive testing equipment. The bill should be explicit that these expenses would be paid for out of the state hemp program account.

OTHER OPPONENTS SAY:

CSHB 1325 should stipulate that Texas Department of Agriculture rules for the regulation of hemp would be no more restrictive than federal rules. Hemp is a legal crop with a cornucopia of medical, chemical, industrial, commercial, and culinary applications; such a stipulation would ensure Texans could fully benefit from hemp.

NOTES:

According to the Legislative Budget Board, the bill would have an indeterminate positive fiscal impact due to the unknown number of administrative penalties; the unknown number of authorizations and renewals that would be issued; the unknown number of inspections and tests that would be conducted; and unknown amounts for authorization, testing, and inspection fees that would be established.

SUBJECT: Requiring Office of Court Administration oversight of specialty courts

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 8 ayes — Leach, Farrar, Y. Davis, Krause, Meyer, Neave, Smith, White

0 nays

1 absent — Julie Johnson

WITNESSES: For — (*Registered, but did not testify*: Dennis Borel, Coalition of Texans with Disabilities; David Johnson, Grassroots Leadership; Bill Kelly, City of Houston Mayor's Office; Shanna Igo, Texas Municipal League; Thomas Parkinson)

Against — None

On — (*Registered, but did not testify*: David Slayton, Texas Judicial Council, Office of Court Administration)

BACKGROUND: Government Code sec. 121.002(c) prohibits a specialty court program from operating until the program's judge, magistrate, or coordinator provides the Office of the Governor's Criminal Justice Division (CJD) with:

- written notice of the program;
- any resolution or other official declaration under which the program was established; and
- a copy of the applicable strategic plan that incorporates duties related to the supervision that will be required under the program.

Sec. 121.002(d) requires specialty court programs to comply with certain best practices recommended by the Specialty Courts Advisory Council and approved by the Texas Judicial Council and to report information on the performance of the program to the Criminal Justice Division.

Some suggest that coordinated oversight of specialty courts among

various entities would improve their administration and more closely align the state's practices surrounding these courts with national practices.

DIGEST:

CSHB 2955 would prohibit a specialty court program from operating until the program's judge, magistrate, or coordinator provided certain information to the Office of Court Administration of the Texas Judicial System, rather than to the Criminal Justice Division (CJD) of the Office of the Governor. The bill would require such a program to report information on its performance to the Texas Judicial Council in addition to the CJD.

The bill also would require the Office of Court Administration to:

- provide technical assistance to specialty court programs upon request;
- coordinate with entities funded by CJD that provided services to specialty court programs;
- monitor specialty court programs' compliance with programmatic best practices; and
- notify the CJD about specialty court programs not in compliance with best practices.

The bill would require the Office of Court Administration to coordinate with and provide information to the CJD upon request.

The bill would take effect September 1, 2019.

SUBJECT: Requiring certain health insurance plans to post preauthorization criteria

COMMITTEE: Insurance — committee substitute recommended

VOTE: 7 ayes — Lucio, Oliverson, S. Davis, Julie Johnson, Lambert, C. Turner, Vo

0 nays

2 absent — G. Bonnen, Paul

WITNESSES: For — Krista Armstrong, Advanced Orthopedics and Sports Medicine; Doug Curran, Texas Medical Association; (*Registered, but did not testify*: Duane Galligher, Association of Substance Abuse Programs; Chase Bearden, Coalition of Texans with Disabilities; Jeffery Addicks, Hospitality Health ER; James Mathis, Houston Methodist Hospital; Marshall Kenderdine, Texas Academy of Family Physicians, Texas Society for Gastroenterology and Endoscopy; Courtney Hoffman, Texas Association for Behavior Analysis PPG; Price Ashley, Texas College of Emergency Physicians; Cameron Duncan, Texas Hospital Association; Bobby Hillert, Texas Orthopaedic Association; Michael Grimes, Texas Radiological Society; Bonnie Bruce, Texas Society of Anesthesiologists; Jenna Courtney, Texas Society of Pathologists; John Henderson, Texas Organization of Rural and Community Hospitals)

Against — Karen Hill, Texas Association of Health Plans, Texas Association of Community Health Plans, Community Health Choice; (*Registered, but did not testify*: Billy Phenix, America's Health Insurance Plans; Jamie Dudensing, Texas Association of Health Plans)

On — (*Registered, but did not testify*: Jamie Walker, Texas Department of Insurance)

BACKGROUND: Insurance Code sec. 843.348(b) requires a health maintenance organization that uses a preauthorization process for health care services to provide each participating physician or provider with a list of health care services that do not require preauthorization and information about

the preauthorization process within 10 business days of a request.

Sec. 1301.135(a) requires an insurer that uses a preauthorization process for medical care and health care services to provide each preferred provider with a list of medical and health care services that require preauthorization and information regarding the preauthorization process within 10 business days after a request was made.

DIGEST:

CSHB 2327 would require health maintenance organizations (HMOs) and insurers that used a preauthorization process for health care services to provide a list of health care services that required preauthorization to participating physicians or providers within five business days of a request.

Posting requirements. The bill would require HMOs and insurers to post information about and requirements for the preauthorization process on their websites. A posting would have to:

- be posted in a conspicuous location that was easily searchable and accessible to enrollees, insureds, physicians, providers, and the public;
- be written in plain language; and
- include a detailed description of the preauthorization process.

The posting also would have to include an accurate and current list of services for which the HMO or insurer required preauthorization that included the following information for each service:

- the preauthorization requirement's effective date;
- the list of supporting documentation the HMO or insurer required from the physician or provider to approve a request;
- the applicable screening criteria using certain billing codes; and
- certain statistics regarding the HMO or insurer's preauthorization approval and denial rates.

Preauthorization requirement changes. The bill would require an HMO or insurer to provide written notice of any new or amended

preauthorization requirement to each participating physician or provider no later than 60 days before the change took effect.

For any changes to the preauthorization requirement or process that removed a service from the list of health care services requiring preauthorization or that amended a preauthorization requirement in a way that was less burdensome to enrollees or insureds, participating physicians, and providers, an HMO or insurer would have to provide each participating physician or provider with written notice of the change by the fifth day before the change took effect.

By the fifth day before a change to a preauthorization requirement was to take effect, an HMO or insurer would be required to disclose the change on its website, along with the date and time the change would be effective.

Noncompliance and preauthorization waiver. Under the bill, an HMO or insurer that violated the required posting or notice provisions would waive its preauthorization requirements with respect to any health care service affected by the violation.

A waiver of preauthorization requirements could not be construed to:

- authorize a physician or provider to provide services outside the scope of the provider's applicable license; or
- require an HMO or insurer to pay for a service provided outside the scope of a health provider's applicable license.

Other provisions. The bill would prohibit its provisions regarding an insurer from being waived, voided, or nullified by contract.

The bill would take effect September 1, 2019, and would apply only to a request for preauthorization of medical care or health care services made under a health benefit plan delivered, issued, or renewed on or after January 1, 2020.

SUPPORTERS SAY:

CSHB 2327 would provide clarity to health providers and patients about a health maintenance organization (HMO) or insurer's preauthorization requirements, which would increase patients' access to needed health care.

Health insurance plans increasingly require preauthorizations for standard health care services, which can lead to patient abandonment and delay patient care. Preauthorizations burden patients and physicians and can prevent Texans from accessing the health care they need. Information about preauthorization standards is often unavailable or unclear, further burdening providers and patients.

By requiring health plans to post detailed preauthorization criteria on their website and issue information about the process and criteria to health care providers and physicians, the bill would help physicians, providers, and patients better understand an often complicated process. The bill would enhance transparency, improve access to essential services, and increase efficiency.

OPPONENTS SAY:

CSHB 2327 would establish overly punitive sanctions for health plans that did not comply with certain posting requirements. Waiving a health plan's entire preauthorization criteria if it violated the posting requirements created by the bill could endanger patient safety. The preauthorization process is designed to ensure patients receive the best health care possible, prevent inappropriate tests ordered by physicians, and reduce health care costs. The bill should create administrative penalties that more closely align with a health plan's violation instead of waiving preauthorization requirements altogether.

Requiring health plans to post extensive preauthorization criteria also would be burdensome because health plans would have to purchase that data through third party vendors, which could increase administrative costs.

SUBJECT: Revising the purposes of the State Affordable Housing Corporation

COMMITTEE: International Relations and Economic Development — committee substitute recommended

VOTE: 7 ayes — Anchia, Frullo, Blanco, Larson, Metcalf, Perez, Raney

1 nay — Cain

1 absent — Romero

WITNESSES: For — (*Registered, but did not testify*: Bill Kelly, City of Houston Mayor's Office)

Against — None

On — Michael Wilt, Texas State Affordable Housing Corporation

BACKGROUND: Government Code ch. 2306, subch. Y establishes the Texas State Affordable Housing Corporation. The corporation's primary purpose is to facilitate the provision of housing for low-income individuals and families by issuing bonds and making affordable loans.

DIGEST: CSHB 1402 would expand the purpose of the Texas State Affordable Housing Corporation (TSAHC) to include providing financing services to assist moderate-income individuals and families in addition to low-income individuals and families.

The bill also would broaden the purpose of TSAHC to include providing economic development opportunities that:

- supported employment in a low-income to moderate-income or high-unemployment area;
- constituted activities that otherwise would not occur in the area without economic development;
- supported the statutory public purposes of TSAHC; and
- did not conflict with activities of the Texas Economic Development

and Tourism Office.

The bill would take effect September 1, 2019.

SUPPORTERS SAY:

CSHB 1402 would empower the Texas State Affordable Housing Corporation (TSAHC) to finance economic development opportunities, including mixed-use retail and office spaces, that would provide jobs and contribute to economic revitalization of underserved areas.

TSAHC currently is neither expressly allowed in law to finance commercial development projects or finance moderate-income housing, nor is it expressly precluded from doing so. The bill would allow TSAHC to take a broader view of community development in accomplishing its goal of promoting affordable housing. TSAHC would have more freedom in dealings with banks and developers that are increasingly interested in financing developments that are mixed-use, rather than strictly residential.

Broadening the authority of TSAHC to serve moderate-income households would complement the existing Homes for Texas Heroes loan program, which is open to certain moderate-income public servants, veterans, and educators. Because housing prices have risen relative to income, this change would be a refinement of the agency's original purpose, rather than a radical departure from it.

OPPONENTS SAY:

CSHB 1402 would expand the remit of the Texas State Affordable Housing Corporation significantly beyond what the Legislature intended when it created the corporation.

SUBJECT: Adjusting audit procedures for certain health insurance plans and PBMs

COMMITTEE: Insurance — committee substitute recommended

VOTE: 8 ayes — Lucio, Oliverson, S. Davis, Julie Johnson, Lambert, Paul, C. Turner, Vo

0 nays

1 absent — G. Bonnen

WITNESSES: For — Steven Hoffart and Miguel Rodriguez, Texas Pharmacy Business Council; (*Registered, but did not testify*: Audra Conwell, Alliance of Independent Pharmacists; Chase Bearden, Coalition of Texans with Disabilities; John McCord, NFIB; Bradford Shields, Texas Federation of Drug Stores; Duane Galligher, Texas Independent Pharmacies Association; Michael Muniz, Texas Pharmacy Association; Jerry Valdez and Michael Wright, Texas Pharmacy Business Council; Bradford Shields, Texas Society of Health-System Pharmacists; Morris Wilkes, United Supermarkets; Omar Fuentes; Lee Ann Hampton; Ryan Hoffart; Charles Weaver)

Against — Melodie Shrader, Pharmaceutical Care Management Association; LuGina Mendez-Harper, Prime Therapeutics

On — (*Registered, but did not testify*: Jamie Walker, Texas Department of Insurance)

BACKGROUND: Insurance Code ch. 1369, subch. F governs the audits of pharmacists and pharmacies. A health benefit plan issuer or pharmacy benefit manager may conduct an audit of a pharmacist or pharmacy.

DIGEST: CSHB 1455 would prohibit a health benefit plan issuer or pharmacy benefit manager (PBM) that audits wholesale invoices during an audit of a pharmacist or pharmacy from auditing the pharmacy claims of another health plan or PBM.

The bill would require a health insurance company or PBM to reverse a finding of a discrepancy in its audit if:

- the National Drug Code (NDC) for the dispensed drug was in a quantity that was a subunit or multiple of the drug purchased by the pharmacist or pharmacy as supported by a wholesale invoice;
- the pharmacist or pharmacy dispensed the correct quantity of the drug according to the prescription; and
- the dispensed drug shared all but the last two digits of the drug's NDC reflected on the supplier invoice.

Under the bill, a health insurance company or PBM would have to accept certain documents as evidence to support the validity of a pharmacy claim relating to a dispensed drug. These documents would include reports required by any state board or agency and copies of validated supplier invoices in the pharmacist's or pharmacy's possession, including:

- supplier invoices issued before the date the drug was dispensed and not earlier than 60 days before the first day of the audit period; and
- invoices and any supporting documents from any supplier authorized to transfer ownership of the drug acquired by the pharmacist or pharmacy.

By the fifth business day after the pharmacist or pharmacy made a request, the health insurance company or PBM would have to provide any supporting documents the pharmacist's or pharmacy's suppliers provided to them.

The bill would take effect September 1, 2019, and would apply to an audit conducted on or after that date.

SUPPORTERS SAY:

CSHB 1455 would help to ensure fairness in the auditing process of pharmacies and pharmacists. Pharmacy benefit managers (PBMs) are increasingly auditing pharmacy invoices for purchases from drug wholesalers. These audits can financially penalize audited pharmacies for technical discrepancies arising from legitimate differences between quantities or drug codes stated on a wholesale invoice and those stated on

the dispensed prescription or the submitted claim for that prescription. The bill would reduce these audit practices by requiring health benefit plans and PBMs to accept as evidence certain documentation that shows the quantity of dispensed drugs matches the quantity purchased from wholesalers.

OPPONENTS SAY:

CSHB 1455 could encourage more bad actors to engage in deceptive billing practices. Changing the current wholesale invoice audit procedures could diminish a health benefit plan and pharmacy benefit manager's enforcement mechanism against fraudulent pharmacies that issue claims for drugs that were never dispensed.

SUBJECT: Requiring HHSC to create plan to increase behavioral health workforce

COMMITTEE: Public Health — favorable, without amendment

VOTE: 8 ayes — S. Thompson, Frank, Guerra, Lucio, Ortega, Price, Sheffield, Zedler

0 nays

3 absent — Wray, Allison, Coleman

WITNESSES: For — (*Registered, but did not testify*: Cynthia Humphrey, Association of Substance Abuse Programs; Jo DePrang, Children's Defense Fund - Texas; Christina Hoppe, Children's Hospital Association of Texas; Chris Masey, Coalition of Texans with Disabilities; Tim Schauer, Community Health Choice; Kennedi Wilson, Doctors for Change; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Julia Egler and Greg Hansch, National Alliance on Mental Illness Texas; Will Francis, National Association of Social Workers - Texas; Josette Saxton, Texans Care for Children; Marshall Kenderdine, Texas Academy of Family Physicians; Windy Johnson, Texas Conference of Urban Counties; Lee Johnson, Texas Council of Community Centers; Reginald Smith, Texas Criminal Justice Coalition; Cameron Duncan, Texas Hospital Association; Chris Frandsen, Texas League Of Women Voters; Michelle Romero, Texas Medical Association; Lee Nichols, TexProtects - Champions for Safe Children; Nataly Sauceda, United Ways of Texas; and 29 individuals)

Against — None

On — Colleen Horton, Hogg Foundation for Mental Health; (*Registered, but did not testify*: Carissa Dougherty and Trina Ita, Health and Human Services Commission; Tanya Lavelle, Hogg Foundation for Mental Health)

DIGEST: HB 1669 would require the Health and Human Services Commission to develop and implement a comprehensive plan to increase and improve the

workforce in Texas to serve individuals with mental health and substance use issues.

To develop the plan, the commission would have to analyze and consider available studies, reports, and recommendations on that segment of the workforce in Texas or elsewhere. The bill would require the plan to include:

- a strategy and timeline for implementing the plan, including short-, medium-, and long-term goals;
- a system for monitoring implementation; and
- a method for evaluating the plan's outcomes.

The commission would be required to develop and begin implementing the plan by September 1, 2020.

The bill would take effect September 1, 2019.

SUBJECT: Extending state death benefits to certain Texas military forces members

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 23 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Buckley, Capriglione, Cortez, S. Davis, M. González, Hefner, Howard, Jarvis Johnson, Miller, Muñoz, Schaefer, Sherman, Smith, Stucky, Toth, J. Turner, VanDeaver, Walle, Wilson

0 nays

4 absent — Minjarez, Rose, Sheffield, Wu

WITNESSES: For — None

Against — None

On — Ranada Williams, Texas Military Department; (*Registered, but did not testify*: Greg Cyrier, Texas Military Department)

BACKGROUND: Government Code ch. 615 makes certain survivors of certain law enforcement officers, firefighters, and others who died in the line of duty eligible for state assistance. Sec. 615.022 provides for the payment of $500,000 by the state to an eligible surviving spouse or other survivors of the deceased individual.

Government Code sec. 437.001 defines a member of the Texas military forces as a member or former member of the Texas National Guard, the Texas State Guard, or any other military force organized under state law. "State active duty" is defined as the performance of a military or emergency service for Texas at the call of the governor or the governor's designee.

DIGEST: CSHB 1618 would entitle eligible survivors of members of the Texas military forces who were on state active duty to receive state death benefits, provided that these survivors were not otherwise eligible under federal law to receive a payment related to that duty.

The bill would take effect September 1, 2019, and would apply only in relation to deaths that occurred on or after the effective date of the bill.

SUBJECT: Establishing county family drug courts

COMMITTEE: County Affairs — committee substitute recommended

VOTE: 8 ayes — Coleman, Bohac, Anderson, Biedermann, Dominguez, Huberty, Rosenthal, Stickland

0 nays

1 absent — Cole

WITNESSES: For — Bryan Mares, Texas CASA; Aurora Martinez Jones; (*Registered, but did not testify*: Mandy Blott, Austin Justice Coalition; Ender Reed, Harris County Commissioners Court; Kathleen Mitchell, Just Liberty; Cindy Klempner, National Alliance on Mental Illness-Austin; James Skinner, Sheriffs' Association of Texas; Lee Johnson, Texas Council of Community Centers; Lindsey Linder, Texas Criminal Justice Coalition; Krishnaveni Gundu, Texas Jail Project; Jacob Palmer, TexProtects; Alexis Tatum, Travis County Commissioners Court; Nataly Sauceda, United Ways of Texas)

Against — None

On — (*Registered, but did not testify*: Anna Ford, Department of Family and Protective Services)

BACKGROUND: Government Code sec. 122.002 allows the commissioners court of a county to establish a family drug court program for persons who have had a child removed from their care by the Department of Family and Protective Services (DFPS) and are suspected by DFPS or a court of having a substance abuse problem.

DIGEST: CSHB 3786 would establish a fund to provide grants to counties seeking to establish county drug courts. The bill also would require counties that had not established family drug courts to conduct a study on the possible effects of establishing such a court.

Grant funding for family drug courts. The family drug court fund would be established as a dedicated account in the general revenue fund and would consist of gifts, donations, grants, and legislative appropriations. The Health and Human Services Commission would administer the fund and could use money in the fund only to award grants to counties to establish and administer family drug courts.

To receive money from the fund, a county would have to submit the study required by the bill and a proposal for the establishment of the court.

The Health and Human Services Commission would have to adopt rules establishing the criteria for awarding a grant from the fund by January 1, 2020.

Family drug court study. The county commissioners court would conduct the study with the assistance of the sheriff and, as applicable, the county attorney, district attorney, or criminal district attorney. The commissioners court would be required to request assistance from the following persons located in the county:

- judges;
- child protective services caseworkers and supervisors;
- attorneys ad litem;
- guardians ad litem;
- drug treatment providers;
- family and child therapists;
- peer recovery coach providers;
- domestic violence victim advocates;
- housing partners;
- drug coordinators;
- drug court services managers; and
- drug court case managers.

Commissioners courts would be required to complete the study by September 1, 2020. The bill's provisions on the study would expire January 1, 2021.

The bill would take effect September 1, 2019.